

Exhibit I

Fixed Project Costs

Reclamation's Fixed Project Costs, shall be determined in accordance with the following formula:

$$FPC = [BFC \times BCI] + [DFC \times DCS]$$

Where:

FPC = Reclamation's Fixed Project Costs

BFC = Fixed Project Costs allocable to Base Facilities

BCI = Reclamation's Base Facilities Capacity Interest

DFC = Fixed Project Costs allocable to Downstream Facilities

DCS = Reclamation's Downstream Facilities Capacity Share,

in any case to the extent that such Fixed Project Costs are not also included in Reclamation's financing obligations.

Fixed O&M Costs

Reclamation's Fixed O&M Costs shall be determined in accordance with the following formula:

$$FOMC = [BFOMC \times BCI] + [DFOMC \times DCS]$$

Where:

FOMC = Fixed O&M Costs

BFOMC = Fixed O&M Costs allocable to Base Facilities

BCI = Reclamation's Base Facilities Capacity Interest

DFOMC = Fixed O&M Costs allocable to Downstream Facilities

DCS = Reclamation's Downstream Facilities Capacity Share

Variable O&M Costs

Reclamation's Variable O&M Costs shall be determined in accordance with the following formula:

$$VOMC = [(PWP / TWP) \times BPVOMC] + [(PWR / TWR) \times BRVOMC] + [(PWRD/TWRD) \times DVOMC]$$

Where:

VOMC = Variable O&M Costs

PWP = Water conveyed into Sites Project Facilities attributable to Reclamation

TWP = Total Water conveyed into Base Facilities

BPVOMC = Variable O&M Costs allocable to Water conveyed into Base Facilities

PWR = Water released from Base Facilities attributable to Reclamation

TWR = Total Water released from Base Facilities

BRVOMC = Variable O&M Costs allocable to Water released from Base Facilities

PWRD = Water released from Base Facilities that flows into Downstream Facilities attributable to Reclamation

TWRD = Total Water released from Base Facilities that flows into Downstream Facilities

DVOMC = Variable O&M Costs allocable to Downstream Facilities